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Globalization and its impact on the full enjoyment of all human rights

Report of the Secretary-General**

I. Introduction

1. By its resolution 56/165, the General Assembly took note of the report of the Secretary-General on globalization and its impact on the full enjoyment of all human rights (A/56/254 and Add.1) and requested the Secretary-General to seek further the views of Member States and to submit a comprehensive report on this subject to the Assembly at its fifty-seventh session.

2. In compliance with this request, on 2 April 2002, the Office of the United Nations High Commissioner for Human Rights forwarded a note verbale to Member States requesting their views on the question. By 26 June 2002, responses were received from the Governments of Cuba, the Sudan and the United Kingdom of Great Britain and Northern Ireland. The responses are set out below.

II. Replies from Governments

A. Cuba

3. The Government of the Republic of Cuba attaches the greatest importance to the central role which the international community must play, through the United Nations system, as the universal and most representative forum, in redefining the bases of the ongoing globalization process, so that its potential benefits can reach all peoples of the world and all sectors within each country.

4. Globalization is an objective process resulting from historical and technological development, particularly of transportation, communications and information technologies, with far-reaching repercussions in all spheres: economic, political, social and cultural.

5. The phenomenon of globalization manifests itself in growing ties of interdependence in which processes and events in any part of the world have consequences for other countries and for all facets of the lives of millions of people in other parts of the world. This is, in part, why all peoples of the planet have an inherent right to be able to participate in the management and administration of processes that have a global impact,

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according to the principle of shared responsibility and in a multilateral framework.

6. The point is not to evaluate globalization from a Manichaean viewpoint and to portray a pattern of irreconcilable polarization of positions on the subject. Only those who wish to preserve the privileges conferred on them by the unfair models governing the distribution of its benefits can embrace such an approach. The fundamental aim of its proponents is to demonize the social movements of protest against specific effects of globalization or at least to deprive them of political force, branding them as utopian dreamers, traitors to their class and rebels, using epithets such as conservative nationalists or isolationist protectionists.

7. It is essential to answer objectively questions such as the following. Can the neo-liberal prescriptions, which served as guidelines for the current globalization, guarantee the promotion and protection of all human rights for everyone throughout the world? Can they provide answers to the current problems and eliminate the obstacles to the realization of the underdeveloped countries' right to development? Can these formulas meet the challenge of the increasing degradation of the environment and the planet's social debt? The facts demonstrate that they cannot.

8. In theory, globalization was supposed to become a positive force for all countries and inhabitants of the world. However, as the international community has formally recognized repeatedly at the world summits held in recent years, in particular the Millennium Summit, at present the benefits and costs of globalization are very unequally distributed and the developing countries have special difficulties in dealing with this problem.

9. Consequently, at these international summits all States agree on, inter alia, the need to adopt policies and measures at the international level reflecting the needs of the developing countries, formulated and applied with their participation. In addition, commitments were made to achieve multilateral financial, monetary and commercial systems that are open, transparent, democratic, equitable, coherent, rule-based, predictable and non-discriminatory. However, little or nothing has been done to achieve these goals and fulfil these commitments.

10. The central problem with the existing pattern of globalization is that in the last few decades the circles of transnational political, economic and media power, based in the developed countries and with strong tentacles in other parts of the world, are promoting to excess, in a fundamentalist manner, a so-called liberalization and deregulation as a universal panacea for all countries in the world, as part of their neo-liberal doctrine.

11. However, the so-called "liberalization" is a fallacy and has its own selectiveness.

12. Without claiming to be exhaustive, while on the one hand the developed countries and the multilateral commercial and financial institutions controlled by them are advocating market deregulation and elimination of subsidies in the underdeveloped countries, on the other hand they are continuing (a recent example is the United States Farm Bill) to maintain and establish new multi-million subsidies for their farmers and keep their markets closed to the main exports of the majority of developing countries: agricultural products and textiles.

13. In addition, far from liberalizing the movement of persons between South and North, migration restrictions are being intensified and the threat of military force is even being used to halt the growing wave of migrants. Technology transfer has not been liberalized either. On the contrary, there are more stringent intellectual property arrangements designed to protect the monopoly and supremacy of the developed countries and their businesses in this area and to perpetuate the developing countries' dependence.

14. There has also not been an increase in the number of economic players, at the national and international levels, but a greater concentration of ownership through alliances, mergers and acquisitions in which most businesses and small producers, particularly in the developing countries, get the worst of it and almost always succumb in the face of competition from the technological superiority and economic clout of the large companies in the developed countries.

15. While developed countries and certain underdeveloped ones have seen some economic growth, often not without intermittent slow-downs, stagnation and backsliding, in fact this has, as demonstrated by statistics in reports of the World Bank and the United Nations Development Programme, been

accompanied by growing disparities in income distribution within nations, including developed ones, and between nations and ultimately by deterioration or increasing social stagnation.

16. The process of neo-liberal globalization has also resulted, in almost all parts of the world, in a decrease in the role of States and in their economic and financial capacity to realize the right to development, as well as to maintain, provide or guarantee the basic public services of education, health and social security. These services are therefore privatized and commercialized, resulting in inequality of access and, in many cases, denial of the economic, social and cultural rights of millions of people and sometimes of most of the population.

17. In the political sphere, the power centres are disregarding the 1993 Vienna consensus, which affirmed the importance of taking into account national and regional peculiarities, as well as the various historic, cultural and religious heritages, and are trying to globalize their formula of formal and supposedly multiparty representative democracy as the only model and a self-seeking interpretation of civil and political rights whereby they enjoy de facto primacy and are divorced from the realization of economic, social and cultural rights.

18. The fact is that, despite the existence of several parties in the developed countries, in many places a bipartisan approach, or actually a single-party system, has been imposed. The parties with the possibility of access to government are generally the ones controlled by the economic power groups. Elections are held, each time with a higher abstention rate, because of the lack of credibility of the politicians and the system itself. The electoral campaigns cost more money each time, which cannot be paid by potential candidates from among the poor, the workers, the peasants, the indigenous inhabitants and the immigrants, who thus remain marginalized from effective participation in the government of their country. The names of the rulers or of the parties currently in government are changed, but at the same time nothing or hardly anything changes for the better in the life of the population majorities.

19. Neo-liberal globalization is also contributing to the spread throughout the world of vices and offences such as drug trafficking, prostitution and pornography, including child pornography, trafficking in migrants, trade in women and children, paedophilia, racism, racial discrimination, xenophobia and related intolerance, as a result of the development of transportation and uncontrolled media, such as the Internet. There is also an alarming and dangerous wave of consolidation and rise to power of rightist parties, based on xenophobic and anti-immigration ideas and programmes, like the one which preceded the Second World War in several European countries. In this disorderly state of affairs, the right of all persons to have a social and international order established in which their rights and freedoms can be fully effective — a right proclaimed more than 50 years ago in the Universal Declaration of Human Rights and reiterated in different words in the Declaration on the Right to Development, and then reaffirmed by consensus at the 1993 World Conference on Human Rights — not only continues to be unfinished business but recedes each day further into the distance.

20. Through neo-liberal globalization, a new reconquest of the developing countries is being imposed by the imperialist Powers, several of which are former colonial metropoles, and their economic agents, such as the transnational corporations and the multilateral institutions which they dominate. A new process of economic neo-colonialism is advancing, affecting the exercise of the right to self-determination of peoples.

21. The free market mechanisms and the "equality" among unequals promoted by neo-liberal globalization, in the context of historical determinants of subordination, dependency and plunder to which the developing countries were subjected and of the current inequities of the existing international economic order, tend to favour the developed countries and to perpetuate and deepen the inequalities between them and the South countries.

22. The growing signs of destabilization and political, economic and social crisis in many developing countries, including several so-called middle-income countries in Latin America which faithfully followed the neo-liberal economic prescriptions and the political formulas of formal "democracy" once considered to be paradigms of the neo-liberal model, are indications of the exhaustion and non-viability of current globalization for the developing countries.

23. The continuing excessive application of neo-liberal formulas means that the realization of all human

rights for all and particularly of economic, social and cultural rights and the right to development will remain an unattainable dream and will have serious consequences for peace and national, regional and international stability.

24. The Government of the Republic of Cuba shares the views of the growing social sectors throughout the world that are questioning and criticizing the current neo-liberal order. A different and better world is not only possible but necessary. Humanity will be able to save itself only with a more human and equitable order, in which social justice prevails. The existing unfair, selfish and unequal international order cannot solve the serious problems facing humanity today or the great challenges of tomorrow.

B. Sudan

25. The Sudan notes that there is no alternative to globalization and raises the following questions:

(a) What are the disadvantages of globalization economically, culturally, socially and politically for developing countries?

(b) How can the issues of the promotion and protection of human rights and economic development be reconciled?

26. The latter question is not only about general matters concerning the reconciliation of the promotion and protection of human rights and economic development, but also of defining where and how this reconciliation should take place. This opens up fundamental institutional questions. In particular, it demands that we see whether such reconciliation will take place only inside financial development institutions or elsewhere. No one can ignore the very negative impact of the Bretton Woods Institutions as well as other transnational institutions on the economy and the policies of developing countries and hence on the enjoyment of human rights in these countries. In particular, the market can affect both positively and negatively the enjoyment of human rights. Financial institutions and the market can produce negative effects in the following areas:

(a) Child labour;

(b) Conditions of employment;

(c) Globalization and declining wages;

(d) Environmental pollution;

(e) Intervention in government economic policies.

27. In order to tackle these problems and others, the following are crucial guidelines that must be kept in mind:

(a) Every State has the right to prescribe the condition under which financial institutions, including multinational enterprises, operate within the national jurisdiction, subject to international law;

(b) Every financial institution and multinational enterprise must take fully into account established general policy objectives of the member countries in which they operate;

(c) Every financial institution and multinational enterprise must give due consideration to those countries' aims and priorities with regard to economic and social progress;

(d) The local community and civil society should be encouraged to assess these enterprises by being part of negotiations.

28. The Sudan notes that the stronger the United Nations system is in embracing and practising a human-rights-based approach to development in all its many dimensions and within all its organizations, the faster the rate of change of these institutions will be.

29. The Sudan recognizes that, as a result of globalization and the advancement in information-sharing and communications, human rights advocates can communicate internationally through the Internet concerning the actions and violations of institutions and groups in society. However, modern communications such as the Internet can also be used in a negative way, to promote prostitution and child pornography, which has obvious effects on moral and social relations. Also, the extent to which Governments can regulate communications and hence maintain sovereignty within their States may depend upon who gets access to information technology. Furthermore, while much information is available very quickly, it may lack credibility or truth.

30. The Sudan notes that these are some of the general issues of concern with regard to human rights and globalization. To the understanding of the Sudan, the following issues should be taken into account:

(a) We must ensure the rich do not own the world;

(b) Globalization should not be a sword in the hands of the powerful and ruling classes;

(c) A thorough independent and comprehensive assessment of the social, environmental and cultural impact of globalization on societies needs to be undertaken;

(d) There needs to be increased transparency in the negotiations of any enterprise involving transnational agencies.

C. United Kingdom of Great Britain and Northern Ireland

31. The United Kingdom of Great Britain and Northern Ireland forwarded the full text of a report entitled "Eliminating world poverty: making globalization work for the poor: White Paper on international development" in response to the request of the Secretary-General. The following is a summary of the report. The full text is available with the Secretariat.

32. The United Kingdom notes that enormous progress has been made over the last decades in development and that over this time, much has been learned about what works and does not work in development. In the context of globalization, the task is to apply these lessons on a larger scale. The United Kingdom believes that globalization creates unprecedented new opportunities for sustainable development and poverty reduction, and for progress towards the international development targets, including the commitment to halve extreme poverty by 2015, to which the United Kingdom is committed.

33. According to the United Kingdom, making globalization work more effectively for the world's poor is a moral imperative and of common interest to all. Many of the world's contemporary challenges — war and conflict; refugee movements; the violation of human rights; international crime, terrorism and the illicit drugs trade; the spread of health pandemics such as HIV/AIDS; and environmental degradation — are caused or exacerbated by poverty and inequality. While progress is dependent on developing country leadership, some of the resources needed will have to be provided by the international community.

34. While the word globalization is used in different ways, the United Kingdom notes that globalization means the growing interdependence and interconnectedness of the modern world. The increased ease of movement of goods, services, capital, people and information across national borders is rapidly creating a single global economy. The process is driven by technological advance and reductions in the costs of international transactions. It is reflected in the diffusing of global norms and values, the spread of democracy and the proliferation of global agreements and treaties, including international environmental and human rights agreements. Globalization is also characterized by the growth of transnational companies. Managed wisely, the new wealth being created by globalization offers the opportunity to lift millions of the world's poorest out of poverty. Managed badly, it could lead to their further marginalization and impoverishment.

35. The United Kingdom identifies some of the legitimate public concerns raised by globalization as follows:

(a) **Culture**. Globalization has accelerated the growth of a global culture. This manifests itself through the near universal availability of the same consumer goods and the emergence of English as the means of communicating internationally. This does not necessarily pose a threat to diverse ways of life. However, the risk of a global monoculture poses more of a threat if the developing world remains poor and marginalized;

(b) **Environment**. There is concern that globalization is threatening the environment. It is true that the global environment continues to deteriorate and consumption patterns of people in developed countries are the major source of global environmental degradation. However, poverty and environmental degradation are often linked and economic development gives countries improved access to new, less resource-intensive and less polluting technologies. Greater commitment, at the international and national levels, to combat environmental degradation is necessary. However, a world commitment to sustainable development is dependent on the guarantee of development for the poor;

(c) **Increased inequality and poverty**. Many believe that globalization raises levels of inequality and poverty. However, the best evidence to date suggests that there is no systematic relationship between

openness and inequality, or between growth and inequality — either between or within countries. Over recent decades, inequality has risen in some cases and fallen in others, in both fast-growing and slower-growing economies. At the same time, growth is not enough. Pro-poor development requires growth and equity and poverty reduction is faster where growth is combined with declining inequality;

(d) **Systematic risks**. Globalization also brings with it systematic risks, such as financial volatility. Greater access to the global pool of savings through capital markets offers developing countries the chance to raise growth rates, but the Asian experience indicates clearly that openness to short-term portfolio flows can be damaging in the absence of a sound macroeconomic position and corporate regulation.

36. The United Kingdom believes that, if well managed, the benefits of globalization for poor countries and people can substantially outweigh the costs, especially in the longer term. Two overarching themes are significant. First, the importance of political will. Secondly, the need for a more integrated approach to policy-making. There is a particular responsibility for developed countries. For example, there is no sense in using development assistance to support countries and then undermining this through trade restrictions and unfair subsidies. Similarly, developing countries need effective systems of government and to ensure respect for human rights for all and to prevent violent conflict. The key policy commitments of the United Kingdom are as follows:

37. In relation to the challenge of globalization, the United Kingdom will:

(a) Work with others to manage globalization so that poverty is systematically reduced and the international development targets achieved;

(b) Promote economic growth that is equitable and environmentally sustainable.

38. In relation to promoting effective government and efficient markets:

(a) Help developing countries to build the effective government systems needed to reform their economic management, make markets work for people and meet the challenge of globalization;

(b) Work to reduce corruption and ensure respect for human rights and a greater voice for poor people;

(c) Work with others to reduce violent conflict, including through tighter control over the arms trade.

39. In relation to investing in people and sharing skills and knowledge, the United Kingdom will:

(a) Promote better health and education for poor people and harness the new information and communications technologies to share skills and knowledge with developing countries;

(b) Help to focus more of the United Kingdom and global research effort on the needs of the poor and make intellectual property regimes work better for poor people.

40. In relation to harnessing private finance, the United Kingdom will:

(a) Work with developing countries to put in place policies that will attract private financial flows and minimize the risk of capital flight;

(b) Work to strengthen the global financial system to manage the risks associated with the scale, speed and volatility of global financial flows, including through use of "road maps" to guide countries on opening their capital accounts;

(c) Encourage international cooperation on investment, competition and tax that promotes the interests of developing countries;

(d) Encourage corporate social responsibility by national and transnational companies and more investment by them in developing countries.

41. In relation to capturing gains from trade, the United Kingdom will:

(a) Support an open and rules-based international trading system and work to promote equitable trade rules and an effective voice for developing countries;

(b) Support continuing reductions in barriers to trade in both developed and developing countries and work to improve the capacity of developing countries to take advantage of new trade opportunities.

42. In relation to tackling global environmental problems, the United Kingdom will:

(a) Work to reduce the contribution made by developed countries to global environmental degradation;

(b) Work with developing countries to ensure that their poverty reduction strategies reflect the need to manage environment resources sustainably and strengthen their capacity to participate in international negotiations.

43. In relation to using development assistance more effectively, the United Kingdom will:

(a) Increase its development assistance to 0.33 per cent as a proportion of gross national product by 2003/2004 and continue to make progress towards the 0.7 per cent United Nations target;

(b) Work to increase the proportion of global development assistance spent in poor countries, help to improve its effectiveness and to reduce the burdens placed on recipient countries, end United Kingdom tied aid and work for multilateral untying;

(c) Introduce a new development bill to replace the outdated Overseas Development and Cooperation Act (1980) to consolidate their poverty focused approach to development;

(d) Provide faster and more substantial debt relief for heavily indebted poor countries that are committed to poverty reduction.

44. In relation to strengthening the international system, the United Kingdom will:

(a) Work with others to build a stronger, more open and accountable international system, in which poor people and countries have a more effective voice.